



## Wisconsin Department of Transportation

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### Division of Transportation Infrastructure Development

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## **REPLACING A DBE SUBCONTRACTOR FOR NON- PERFORMANCE, ETC., ON WISDOT PROJECTS**

Regardless of tier, a prime contractor shall replace a DBE subcontractor when all the following apply:

- There is a federal aid project with mandatory DBE goals.
- A DBE subcontractor has a written contract to perform for the prime contractor.
- A DBE subcontractor admits that it cannot perform or the prime contractor and WisDOT find that the DBE subcontractor is not meeting WisDOT contract requirements.<sup>1</sup>

### Steps for replacement

1. A DBE subcontractor may replace itself with another certified DBE subcontractor with approval from the prime and WisDOT. The prime contractor must inform and obtain approval from DBE support services office for any replacement DBE subcontractor.<sup>2</sup>
2. If a DBE subcontractor can't find a suitable replacement, then the prime shall attempt to replace the DBE subcontractor with another DBE firm. If the prime contractor finds a replacement DBE subcontractor, then the prime contractor shall inform and obtain approval from DBE support services office for any replacement DBE subcontractor.<sup>2</sup>
3. If the prime contractor cannot find a replacement DBE subcontractor, the DBE shall request assistance from the DBE support services office.<sup>2</sup>
4. If the prime cannot find a replacement subcontractor, the prime shall demonstrate a Good Faith Effort to locate a replacement DBE. This includes:
  - a. Soliciting DBE quotes.
  - b. Providing relevant information for DBE to submit a responsive quote.
  - c. Acting in a timely manner.
  - d. Documenting its efforts.
  - e. A prime may replace a DBE subcontractor with another DBE performing a different type of work that can be credited toward a different type of goal, however, the prime must get approval from the DBE support services office.

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<sup>1</sup> Emergency situations necessary to protect the public interest may require a different procedure. The prime contractor shall contact WisDOT if immediate action is required.

<sup>2</sup> The responsible DBE Support services staff person is Adetoye Adeniyi, Civil Engineer. His number is 414-438-4585.

Premium prices

1. The Department will not adjust the contract for any increase in costs due to a replacement DBE subcontractor.
2. The contractor is obligated to pay a reasonable price for a replacement DBE subcontractor.

Race Neutral/Voluntary/Discretionary Goals

The prime contractor is not required to follow the above process on a project with a race neutral/voluntary/discretionary goal. (This type of goal is indicated on the front cover of the Highway Work Proposal by the letters DISC. in the box titled “Assigned Disadvantaged Business Enterprise Goal”.) The prime should still notify the DBE support services office that a DBE subcontractor is being replaced.

**Caveat: Under any circumstance where a DBE is used, the prime should utilize good faith efforts for DBE's to succeed on the project.**